

PALMER & DODGE LLP

111 HUNTINGTON AVENUE AT PRUDENTIAL CENTER  
BOSTON, MA 02199-7613

KENNETH W. SALINGER  
617.239.0561  
ksalinger@palmerdodge.com

July 2, 2003

**By Messenger**

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station, 2nd Floor  
Boston, MA 02110

Re: Docket D.T.E. 01-20 – Verizon’s Improper Attempt to Ignore Prior Department Orders  
Regarding Further Investigation of an Alternative Hot Cut Process and Rates

Dear Ms. Cottrell:

In the reply comments it filed on June 26, 2003, Verizon reiterated a request that the Department allow its proposed rates for an alternative hot cut process (which Verizon refers to as its WPTS process and rates) to take effect immediately.

This request constitutes an untimely and unfounded request that the Department reconsider its express decisions on this topic. In an order issued July 30, 2002, the Department held that all of Verizon’s new UNE rates *except for* its hot cut rates would take effect as of August 5, 2002, but that “the intent of the Department’s directive that Verizon offer CLECs a less costly alternative to the hot cut process as expressed in the Order at 499-500, would be undermined if the Department permitted Verizon to retroactively true-up this rate.” D.T.E. 01-20, July 30, 2002 Procedural Order, at 19. Verizon subsequently sought clarification regarding the parameters it would be permitted to consider in developing a proposal for a more efficient hot cut alternative. In its February 12, 2003, letter order clarifying the Department’s intent on this issue, the Department reiterated that Verizon’s proposed alternative hot cut process and rates would be subject to investigation and review by the Department. Finally, on March 4, 2003, the Department announced that it would not undertake this review during the compliance phase of this docket, but instead would open a new proceeding to investigate and adopt an alternative hot cut process. At no time did Verizon seek reconsideration of or otherwise challenge any of these decisions.

Now, Verizon asks the Department to accept a “compliance filing” which does not comply with this aspect of the Department’s explicit prior orders, and to permit Verizon’s proposed alternative hot cut process and rates to take effect without any investigation or review. AT&T respectfully urges the Department to reject this request. As AT&T has previously explained, there remain many questions about whether Verizon has taken into account all available process improvements in

Mary L. Cottrell

July 3, 2003

Page 2

its proposed alternative hot cut process, and whether the rates proposed by Verizon fully reflect the forward-looking cost savings available from a more streamlined approach to hot cuts. *See* “AT&T’s Appeal of Ruling on Scope of Compliance Phase, With Respect to the Need for Investigation and Review of Verizon’s Brand-New Alternative Hot Cut Proposal” (which was filed on March 3, 2003, and withdrawn as moot after the Department announced that it would open a new docket to address the alternative hot cut process proposed by Verizon). Verizon’s entire explanation for the NRCs it is proposing consists of a single paragraph on page 5 of the narrative explanation found in Book 1, Tab 3, Item 4 of Verizon’s compliance filing, which raises more questions than it answers.

Verizon argues that because several CLECs are already using the alternative hot cut process in the form envisioned by Verizon, it should be permitted impose rates substantially higher than currently tariffed hot cut rates upon those carriers even without any investigation or review by the Department. Doing so would fly in the face of the Department’s prior decisions, when it expressly refused to permit Verizon to increase hot cut rates until after it had completed a full review of the proposed alternative process and rates.

In sum, Verizon’s proposal for new hot cut rates to take effect immediately does not comply with the Department’s prior orders, and thus in the context of the compliance phase of this docket it should be rejected.

Very truly yours,

Kenneth W. Salinger

pc: Service List